

MEETING NO. 3225
JOURNAL OF PROCEEDINGS
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT**
HELD THURSDAY, DECEMBER 06, 2018

09:00 A.M.
RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

SHAWN BATTLE	EX/OFFICIO TRUSTEE/FIRE PREVENTION CHIEF/MAYOR'S DESIGNEE
MICHAEL F. BERENT	ELECTED TRUSTEE/FIRE
MARK DIAZ	ELECTED TRUSTEE/POLICE
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYOR'S DESIGNEE
CHRISTA MCLELLAN	EX/OFFICIO TRUSTEE/TREASURER
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
GEORGE ORZECH	ELECTED RETIRANT TRUSTEE/FIRE
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/CHAIRPERSON
DEAN PINCHECK	ELECTED TRUSTEE/FIRE
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/MAYOR'S ALTERNATE
JOHN SERDA	ELECTED TRUSTEE/POLICE
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
STEVEN WATSON	EX/OFFICIO TRUSTEE/DIRECTOR OF FORECASTING AND ECONOMIC ANALYSIS-BUDGET DEPARTMENT/BUDGET DIRECTOR'S DESIGNEE

TRUSTEES EXCUSED

BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/CORPORATION COUNSEL /VICE-CHARPERSON

ALSO PRESENT

David Cetlinski	Executive Director
Kelly Tapper	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Ronald King	General Counsel
TaKneisha Johnson	Administrative Assistant IV
Bruce Babiarz	Public Relations Advisor
Dr. Oscar King III	Board Lobbyist

STAFF EXCUSED

None

CHAIRPERSON

JEFFREY PEGG

A verbal Roll Call commenced at 09:10 a.m. and Chairperson Pegg called the meeting to order.

Present at Roll Call: Shawn Battle, Michael F. Berent, Matthew Gnatek, George Orzech, Dean Pincheck, John Serda and Gregory Trozak

Re: Approval of December 06, 2018 Agenda

Matthew Gnatek moved to approve the agenda dated **Thursday, December 06, 2018**; with the removal of Special Legal Counsel Marie Racine's presentation. John Serda supported. The motion passed unanimously.

Re: Approval of DROP Retirement Applications

Matthew Gnatek moved to approve the **DROP Retirements** as listed below. Michael Berent supported. The motion passed by vote as follows:

NAME, TITLE, DEPARTMENT	Angela Bunch - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 08 27 – 10 25 18
NAME, TITLE, DEPARTMENT	Michael C. Thomas – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	21 01 03 – 11 19 18
NAME, TITLE, DEPARTMENT	John Serda – Captain – NU POL UNI - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	23 01 11 – 09 21 18

Yea: Battle, Berent, Gnatek, Orzech, Pincheck, Trozak and Chairperson Pegg– 7

Nays: None

Abstentions: Serda- 1

POLICE AND FIRE RETIREMENT SYSTEM CITY OF DETROIT

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Re: Approval of HYBRID Retirement Applications

Matthew Gnatke moved to approve the **HYBRID Retirements** as listed below. Dean Pincheck supported. The motion passed unanimously.

NAME, TITLE, DEPARTMENT Michael C. Thomas – Police Sergeant -
Police
RETIREMENT TYPE-PLAN Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE 04 05 00 – 11 19 18

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts	HYBLIRES					
RSCD-PFRS	Start Date:	11/12/2018				
	End Date:	11/30/2018				
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/12/2018	CA	Cash Entry		Pre-Tax Pension Contributions 11/9/18	R/C	270,956.38
11/16/2018	CA	Cash Entry	000971	Pre-Tax Pension Contributions 11/16/18	R/C	98,342.94
11/21/2018	CA	Cash Entry	001006	Pre-Tax Pension Contribution 11/21/18	R/C	272,978.98
						642,278.30

Cash Receipts	LIQUID RES					
RSCD-PFRS	Start Date:	11/12/2018				
	End Date:	11/30/2018				
Doc. Date	Module	Tran. Type	Doc. Nbr.			
11/16/2018	CA	Cash Entry	001004	Loan Deduction Program 11/9/18 (\$76,786.12)	R/C	76,786.12
11/20/2018	CA	Cash Entry	001005	Loan Deduction Program 11/16/18 (\$30,069.68)	R/C	30,069.68
						<u>106,855.80</u>
Total Receipts						749,134.1

POLICE AND FIRE RETIREMENT SYSTEM
CITY OF DETROIT

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Re: Approval of Disbursements

Matthew Gnatke moved to approve the **Disbursement List** as outlined below.
Michael Berent supported. The motion passed unanimously.

Disbursements

Page: 1 of 3
Date: 12/3/2018 7:43 AM

Account	Payment Method	Currency	
HUNT VEND	ACH	US	
Vendor Name			
500 WEBWARD LLC	67584	Light Bulbs/Lamp Replacement and Fixture Repair	209.95
8x8 INC.	2262323	Phone System Services	1,386.33
ACCUSOFT PEGASUS	0001027703	Xpress Imaging Software License	4,712.40
ADP, INC	542694980	Check Printing Services	610.55
CDW GOVERNMENT	PTW0897	Computer Equipment Insurance	294.99
CDW GOVERNMENT	PVJ3952	Computer Equipment Insurance	237.48
CLARK HILL, PLC	741065	CTPF Book Cadillac for September 2017	13,063.65
CLARK HILL, PLC	764251	General Counsel Services for January 2018	7,694.05
CLARK HILL, PLC	764253	Gregory Davis for January 2018	253.61
CLARK HILL, PLC	764254	North Point Advisors for January 2018	3,543.18
CLARK HILL, PLC	764255	COD Office of Inspector General for January 2018	21.49
CLARK HILL, PLC	764256	CTPF Book Cadillac for January 2018	531.59
CLARK HILL, PLC	764257	Combined Plan for January 2018	35.82
CLARK HILL, PLC	771264	Linda Stirling for February 2018	5,737.50
CLARK HILL, PLC	803182	EDS for July 2018	719.10
CLARK HILL, PLC	803184	Gregory Davis for July 2018	10,671.32
CLARK HILL, PLC	803186	Combined Plan for July 2018	1,598.42
CLARK HILL, PLC	826653	General Counsel Services for October 2018	26,265.00
CLARK HILL, PLC	826654	Gregory Davis for October 2018	14,450.42
CLARK HILL, PLC	826655	North Point Advisors for October 2018	96.90
CLARK HILL, PLC	826656	COD Office of Inspector General for October 2018	484.50
CLARK HILL, PLC	826657	Environmental Geo-Technologies for October 2018	1,398.25
CLARK HILL, PLC	826658	Labor & Employment-General Advice for October 2018	5,354.15
CLARK HILL, PLC	826659	PFRS Falconhead Holding thru November 21, 2018	8,731.62
CLARK HILL, PLC	826661	Combined Plan for October 2018	1,796.05
Cogent Communications, Inc.	110118	Internet Service	1,023.00
CRESTWOOD ASSOCIATES L.L.C.	INV037260	Acumatica Training & Implementation	100.00
CRESTWOOD ASSOCIATES L.L.C.	INV037703	Acumatica Training & Implementation	25.00
CRESTWOOD ASSOCIATES L.L.C.	INV039871	Acumatica Training & Implementation	75.00

POLICE AND FIRE RETIREMENT SYSTEM
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Re: Approval of Disbursements- Continued

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
HL - Platinum Equity Capital Partners IV, LP	112618	Capital Call	13,775.00
PLANTE & MORAN	1598165	Financial Statement Audit for year ended 6/30/18	31,675.00
PriceWaterhouseCoopers (PWC) Mgmt Consult Co.	18401398	Professional Tax Service for year ended 12/31/17	2,730.00
PROCENTIA, INC.	2294	Procenia Implementation	53,606.25
SMARTSHEET INC.	INV707755	Business Plan - Licensed Users + Pro Support Subscr	1,188.00
UHY Advisors MI, Inc.	1272142	Professional IT Services for October 2018	10,875.00
UHY Advisors MI, Inc.	1272150	Professional IT Services for October 2018	69,375.00
ULTIMATE PARKING MANAGEMENT LLC	175711	Parking - December 2018	2,882.00
Bridgett Hardy	113018BH	IT Contractual Wages - November 2018	3,790.78
James R. Hollins	113018JH	IT Contractual Wages - November 2018	3,267.38
Raymond R. Tchou	113018RT	IT Contractual Wages - November 2018	6,812.93
Scott D. Vrooman	113018SV	IT Contractual Wages - November 2018	234.00
Venkat Rallapalli / Highbrow Systems, Inc.	113018VR	IT Contractual Wages - November 2018	4,902.50
Cash Account/Payment Method Total:			42 Documents
			316,235.16

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Advantage Consulting, Inc.	110918	Initial Functional Capacity Evaluation Fee	1,200.00
ALLEGRA	57341011	Office Supplies	412.50
BLOOMBERG BUSINESSWEEK	110118	Bloomberg Businessweek Subscription	35.00
CANON SOLUTIONS AMERICA, INC	4027577167	Copier Maintenance	90.26
CHRYSALIS CONSULTING, LLC	23295	Consulting Services 10/1/18-10/31/18	6,953.13
CINTAS CORPORATION-300	300396704	Floor Mats	110.01
COMCAST	111718	High Speed Internet	182.95
FEDEX	6-361-99997	FedEx Mailing	25.98
FEDEX	6-368-64998	FedEx Mailing	25.93
FEDEX	6-376-64143	FedEx Mailing	25.81
First CHOICE Coffee Services	585783	Filter Exchange	26.48
First CHOICE Coffee Services	587918	Equipment Rental	30.00
GABRIEL, ROEDER, SMITH & CO	442657	Actuarial Services for October 2018 & GASB 68 Calc	22,200.00
George Orzech	110518GO	Subscription Reimbursement	116.97
IRON MOUNTAIN	156544	Data Domain Service	2,164.35
IRON MOUNTAIN	201741887	Storage CDs	762.79
METCOM	106008	Business Cards	33.23
NAGDCA	12073830	Membership 1/1/19-12/31/19	600.00

Re: Approval of Refunds (Accumulated Contributions)

Matthew Gnatke moved to approve the **Refunds/Accumulated Contributions** as outlined below John Serda supported. The motion passed unanimously.

LIST NUMBER 3764 - \$677,759.14

LIST NUMBER 3765 - \$372,028.95

Re: Approval of the Frozen Defined Contribution Plan/ Employee Loan Program

Matthew Gnatke moved to approve the **Frozen Defined Contribution Plan/ Employee Loan Program** as outlined below. John Serda supported. The motion passed unanimously.

LIST #1 11/29/2018 – \$410,538.00

LIST #2 12/06/2018 – \$133,000.00

Re: Approval of Minutes/Journal of Proceedings No. 3220 – (11/01/2018)

Matthew Gnatke moved to approve the **Minutes/Journal of Proceedings No. 3220 (11/01/2018)** Dean Pincheck supported. The motion passed unanimously.

➤ ***Trustee Steven Watson entered the Boardroom at 09:18 a.m.***

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Kelly Tapper**, addressed the following with the Board of Trustees:

- Special Counsel Marie Racine has been rescheduled to come before the Board on January 24, 2019.
- Retiree newsletter update
 - The January 2019 direct deposit will be available on January 2, 2019. The change in timing is due to IRS 1099R reporting rules.
- Request to cancel the 12/20/2018 Board meeting
- The Legal Request for Proposal is in the packets and available for review
 - Brief Legal Committee update

Re: Cancellation of Police and Fire Retirement System's Board Meeting; 12/20/2018

Motion By: Trustee Gnatke – Supported By: Trustee Berent

RESOLVED, that the Police and Fire Retirement System of the City of Detroit Board Meeting scheduled for ***Thursday, December 20th, 2018***, will be **CANCELLED** and any bills or items requiring Board approval will be approved by Staff accordingly.

Yea: Battle, Berent, Gnatke, Orzech, Pincheck, Serda, Trozak, Watson and Chairperson Pegg– 9

Nays: None

➤ ***Trustee Christa McLellan and Trustee John Naglick entered the Boardroom at 09:22 a.m.***

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **David Cetlinski**, addressed the following with the Board of Trustees:

- Trustee Brenda Jones will return after the New Year as she is currently serving in Congress
- Mailer regarding the January 2019 pension payment deposits
- Annuity loan pre and post-tax contribution explanation/discussion

LOBBYIST'S REPORT

Lobbyist, **Dr. Oscar King III**, provided the Board with a legislative report via e-mail and discussed the aforementioned items listed below:

- House Bill 59-18
- House Bill 65-11
- Senate Bill 796 has been referred to Committee
- Senate Bill 838
- Senate Bill 1129
- Senate Bill 1149
- Senate Bill 1150
- Senate Bill 1178
- Senate Bill 1199
- Senate Bill 1235
- Senate Bill 1209

➤ ***Dr. Oscar King excused himself from the Boardroom at 09:35 a.m.***

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer, **Ryan Bigelow**, in addition to his written report, discussed the following matters with the Board:

- Updated Asset Allocation report (Black and Blue) dated November 30, 2018
- Preliminary performance update
- Mayfield Gentry asset update
- Final Investment Committee meeting of 2018: Monday December 17, 2018
- Rebalancing report will be delivered in January 2019

➤ ***Trustee Angela James entered the Boardroom at 09:55 a.m.***

➤ ***Trustee Portia Roberson entered the Boardroom at 10:04 a.m.***

PUBLIC RELATIONS ADVISOR REPORT

Public Relations Advisor, **Bruce Babiarz**, discussed the following matters with the Board:

- Inquiries from local and New York media regarding year end financials have come in. Mr. Babiarz does recommend providing the newsletter, a brief statement and an updated FAQ sheet to the requestors
- Investment Mentoring discussion

➤ ***Gabriel, Roeder, Smith and Company entered the Boardroom at 10:16 a.m.***

PRESENTATION:

Gabriel, Roeder, Smith and Company

Representatives Kenneth Alberts and Judith Kermans discussed the following with the Board:

- Police and Fire Retirement System of the City of Detroit GASB Statements Nos. 67 and 68 Accounting and Financial Reporting for Pensions Components I and Component II; June 30, 2018

Presentation materials were provided.

➤ ***Trustee Matthew Gnattek excused himself from the Boardroom at 10:23 a.m.***

➤ ***Trustee Angela James excused herself from the Boardroom at 10:38 a.m.***

Re: Reporting & Accounting Schedules of Component I

Resolution Moved By: Trustee Naglick - Supported By: Trustee Mclellan

Motion to approve the GASB Statement No. 67 and 68 Accounting and Financial Reporting for Pension Plans of Component I, ending June 30, 2018 as prepared and submitted by the Board's actuary.

Yea: Battle, Berent, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg- 11

Nay: None

- ***Trustee Angela James returned to the Boardroom at 10:53 a.m.***
- ***Trustee Matthew Gnatke returned to the Boardroom at 11:04 a.m.***

Re: Reporting & Accounting Schedules of Component II

Resolution Moved By: Trustee Naglick - Supported By: Trustee Orzech

Motion to approve the GASB Statement No. 67 and 68 Accounting and Financial Reporting for Pension Plans of Component II, ending June 30, 2018 as prepared and submitted by the Board's actuary.

Yea: Battle, Berent, Gnatke, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg- 13

Nays: None

- ***Gabriel, Roeder, Smith and Company concluded their presentation and left the Boardroom at 11:28 a.m.***

Re: Permission to review the Police and Fire Retirement System of the City of Detroit (the system) DROP Program in-house and conduct a study if necessary

Dean Pincheck moved to authorize Staff and General Counsel to conduct an "in-house" DROP Study. Matthew Gnatke supported. The motion passed unanimously.

- ***Plante and Moran entered the Boardroom at 11:30 a.m.***

Plante and Moran

Representatives Beth Bialy, Spencer Tawa and Ali Hijazi discussed the following with the Board:

- Opinion Letter
- Financial Statements
 - Statement of Fiduciary Net Position (Balance Sheet)
 - Statement of Changes in Fiduciary Net Position (Income Statement)
 - Net Position Trend
 - Net Pension Liability Trend
- Communication with Those Charged with Governance-End of Audit Letter
- Unrecorded Possible Adjustments
- Audit Results

Presentation materials were provided.

➤ ***Trustee Matthew Gnatek excused himself from the Boardroom for the day at 11:44 a.m.***

Re: Plante & Moran PLLC - Audit Report

Resolution Moved By: Trustee Mclellan - Supported By: Trustee Naglick

WHEREAS, the Board's auditor, Plante & Moran ("Plante Moran"), has presented the Board with the System's June 30, 2018 Financial Report with supplemental information, and

WHEREAS, the Board has read and discussed said report and supplemental information; **THEREFORE BE IT**

RESOLVED, that the Board accepts and approves the System's June 30, 2018 Financial Report with Supplemental Information as presented by its auditor, Plante Moran, and be it further

RESOLVED, that a copy of this resolution be forwarded to Plante Moran and the Accounting division of the Retirement System.

Yea: Battle, Berent, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg- 12

Nay: None

➤ ***Trustee Mark Diaz entered the Boardroom at 11:59 a.m.***

RE: Establishment of an Interest Rate for the Voluntary Employee Contribution Accounts and the Annuity Savings Fund

Resolution Moved By: Trustee Roberson - Supported By: Trustee Pincheck

WHEREAS, The Board of Trustees of the Police and Fire Retirement System of the City of Detroit is vested with the authority and fiduciary responsibility for the administration, management, and operation of the Retirement System, and

WHEREAS, The provisions of the plan are subject to the applicable provisions of the Internal Revenue Code, applicable state law, the applicable charter and ordinance provisions of the City of Detroit, the Combined Plan for the Police and Fire Retirement System, and applicable collective bargaining agreements, and

WHEREAS, Sections 10.3, G-2 and C-1(20) of the Combined Plan as amended and restated effective July 1, 2014, state that the Board shall credit each Member's Voluntary Employee Contribution Account (Component I) and their Annuity Savings Fund Account (Component II) with earnings at the annual rate of return, net of expenses, on the Retirement System's assets, and

WHEREAS, Section 10.3, G-2 and C-1(20) shall further provide that the annual rate of return credited to the accounts of members shall be equal to the actual net investment rate of return on the assets of the Retirement System for the Second Plan Year immediately preceding the Plan Year in which earnings are credited; in no event, however, shall the earnings rate credited to a Member's account for any Plan Year be less than zero percent (0%) nor greater than five and one-quarter percent (5.25%), and

WHEREAS, the net investment rate of return of the Retirement System for the fiscal Year ending June 30, 2018 was 5.25%; **Therefore be it**

RESOLVED, that the Board authorizes the crediting of interest at **5.25%** to the Voluntary Employee Contribution Accounts and the Annuity Savings Fund accounts for the fiscal year commencing July 1, 2019 (ending June 30, 2020), and further

RESOLVED, that a copy of this resolution be maintained in the Retirement System records, and also that a copy be provided to the Board's Actuary (Gabriel, Roeder, Smith and Co), the Retirement System's Auditor, the Accounting Division of the Retirement System and the PFRS Investment Committee.

Yea: Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg- 13

Nays: None

Re: September 30, 2018 Budget Review

Chief Accounting Officer, **Ramzee Jackson**, discussed the following with the Board:

- Quarterly Budget

Re: Budget Amendment Request

Christa Mclellan moved to authorize the Chief Accounting Officer to increase the Legal Fees/ Investments annual Budget for the fiscal year ending June 30, 2019. George Orzech supported. The motion passed unanimously.

GENERAL COUNSEL'S REPORT

General Counsel, **Ronald King**, discussed the following matters with the Board:

- EDROS for Approval:
 - Vannice Holmes vs Donovan Holmes
- Request for the Police and Fire Board to be Lead Plaintiff in securities litigation case
- Environmental Geo-Technologies, LLC
- Davis v PFRS, et al
- Donald V. Watkins
- FOIA Requests
 - Email from Benjamin Sherry of MandateWire dated November 29, 2018
 - Email from Alexander Chang of Pitchbook Data dated November 14, 2018

Re: Vannice Holmes v Donovan Holmes, Case No.: 17-101499-DM

Wayne County Circuit for the State of Michigan, Detroit, Michigan

Motion By: Trustee Berent Supported By: Trustee Mclellan

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit ("Board") is in receipt of an Eligible Domestic Relations Order ("EDRO") entered on September 17, 2018, which supplements a Judgment of Divorce entered on March 22, 2018, wherein Alternate Payee **VANNICE HOLMES** is awarded certain rights to the retirement benefits of Participant **DONOVAN HOLMES**, who is an active employee, and

WHEREAS, the Board has been informed that Participant **DONOVAN HOLMES** is an active employee, and

WHEREAS, the Board notes that the benefits of Participant **DONOVAN HOLMES** are subject to a prior EDRO and related resolution of the Board on January 24, 2008, and

WHEREAS, the EDRO awards the Alternate Payee **VANNICE HOLMES** a 50 percent (50%) portion of the Participant's Component I Retirement Allowance which accrued from August 30, 2002, to March 22, 2018, and

GENERAL COUNSEL'S REPORT- continued

Re: Vannice Holmes v Donovan Holmes, Case No.: 17-101499-DM
Wayne County Circuit for the State of Michigan, Detroit, Michigan

WHEREAS, the Alternate Payee **VANNICE HOLMES IS** entitled to claim a fifty percent (50%) portion of the Participant's Component I Retirement accrued from July 1, 2014, to March 22, 2018 (because Component I was first established July 1, 2014), when the Participant is eligible to receive such benefits and as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO awards the Alternate Payee **VANNICE HOLMES** a 50 percent (50%) portion of the Participant's Component II Pension which has accrued from August 30, 2002, to March 22, 2018, and

WHEREAS, the Alternate Payee **VANNICE HOLMES IS** entitled to claim a fifty percent (50%) portion of the Participant's Component II Pension accrued from August 30, 2002, to June 30, 2014 (because Participant accrued no Component II benefits after June 30, 2014, when Component II was frozen), when the Participant is eligible to receive such benefits and as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO awards the Alternate Payee **VANNICE HOLMES** a portion of the Participant's Component I Voluntary Employee Contribution balance, being 50% of the difference between the total account balance between March 22, 2018, and August 30, 2002, and

WHEREAS, the Alternate Payee **VANNICE HOLMES IS** entitled to claim a portion of the Participant's Component I Voluntary Employee Contribution balance accrued from July 1, 2014,

to March 22, 2018, if any balance remains, when the Participant is eligible to receive such benefits and as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, assuming any balance is available, and

WHEREAS, the EDRO awards the Alternate Payee **VANNICE HOLMES** a portion of the Participant's Component II Annuity Savings Fund balance, being 50% of the difference between the total account balance as of March 22, 2018, and August 30, 2002, if any, reduced by one thousand ninety-seven and 78/100 dollars (\$1,097.78), and

WHEREAS, the Alternate Payee **VANNICE HOLMES IS** entitled to claim a portion of the Participant's Component II Annuity Savings Fund balance accrued from August 30, 2002, to June 30, 2014 (when Component II was frozen), if any balance remains, when the Participant is eligible to receive such benefits and as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, assuming any balance is available, and

GENERAL COUNSEL'S REPORT- continued

Re: Vannice Holmes v Donovan Holmes, Case No.: 17-101499-DM
Wayne County Circuit for the State of Michigan, Detroit, Michigan

WHEREAS, the Board notes that PFRS Staff has reported that Participant **DONOVAN HOLMES** has a Component II Annuity Savings Fund balance of \$0.00 as of November 13, 2018, and made no report on Component I Voluntary Employee Contributions, and

WHEREAS, the EDRO provides for the parties to share the cost of the actuary's fees, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of the EDRO are consistent with the provisions of the Retirement System and applicable law, including Public Act 46 of 1991, MCL 38.1701, *et seq.*, and Public Act 100 of 2002, MCL 38.1681, *et seq.*, as applicable,

THEREFORE BE IT RESOLVED, that the Board acknowledges receipt of the EDRO, that said court order qualifies as an Eligible Domestic Relations Order pursuant to the Public Employee Retirement Benefit Protection Act, MCL 38.1681, and shall pay pension benefits consistent with said court order and this resolution SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, and be it further

RESOLVED, that this file be forwarded to the Board's actuary for calculation of the benefits to be paid to the former spouse, and be it further

RESOLVED, that a copy of this resolution be added to the Participant's pension file, and other appropriate records be kept for the Retirement System relative to this matter, and be it further

RESOLVED, that copies of this resolution be sent to Alternate Payee Vannice Holmes, Participant Edward, and Brian Martin Ellison, legal counsel for Participant.

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

Re: Securities Litigation Request for Lead Plaintiff

Portia Roberson moved to decline the request to act as lead plaintiff in securities litigation case related to Trevena Inc. George Orzech supported. The motion passed unanimously.

Re: Entering Into Closed Session

Resolution Moved By: Trustee Serda – Supported By: Trustee Trozak

WHEREAS, the Retirement System is subject to the limitation of the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enters into Closed Session for the purpose of discussing Attorney-Client Privileged matters regarding the following: Medical Director’s Report

A Roll Call Vote was taken as follows:

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nay – None

The Board entered into **Closed Session** at 12:22 p.m.

Re: Open Session

Resolution Moved By: Trustee Serda – Supported By: Trustee Pincheck

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 12:32 p.m.

INITIAL DISABILITIES:

Re: George Alam

Resolution Moved By: Trustee Diaz Supported By: Trustee Pincheck

RESOLVED, that the report of the Medical Director on the case of **George Alam** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed for **Mr. Alam** **with a re-exam in one year**:

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

INITIAL DISABILITIES:

Re: John Arasim

Resolution Moved By: Trustee Diaz Supported By: Trustee Pincheck

RESOLVED, that the report of the Medical Director on the case of **John Arasim** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed for **Mr. Arasim** **with a re-exam in one year**:

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

INITIAL DISABILITIES:

Re: Ronald Day

Resolution Moved By: Trustee Diaz Supported By: Trustee Pincheck

RESOLVED, that the report of the Medical Director on the case of **Ronald Day** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed for **Mr. Day** **with a re-exam in one year**:

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nay – None

INITIAL DISABILITIES:

Re: Keba Rhone-Abney

Resolution Moved By: Trustee Diaz Supported By: Trustee Pincheck

RESOLVED, that the report of the Medical Director on the case of **Keba Rhone-Abney** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed for **Mrs. Rhone-Abney with a re-exam in one year**:

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nay – None

INITIAL DISABILITIES:

Re: Robert Rowe

Resolution Moved By: Trustee Diaz Supported By: Trustee Pincheck

RESOLVED, that the report of the Medical Director on the case of **Robert Rowe** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed for **Mr. Rowe** **with a re-exam in one year**:

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

Re: Annual Re-examinations

Resolution Moved By: Trustee Diaz Supported By: Trustee Serda

RESOLVED, that in accordance with the recommendation of the Medical Director, the following be **CONTINUED** on the Disability Retirement Payroll with **re-exams in one year**:

Kizzy March

Yea – Battle, Berent, Diaz, James, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

Re: Legal Request for Proposal Discussion

The Board of Trustees discussed the Legal Request for Proposal.

- ***Trustee Shawn Battle left the Boardroom for the day at 12:44 p.m.***

Re: Legal Request For Proposal Approval

Michael Berent moved to approve the Legal Request for Proposal with changes as discussed and issue the first week of January with sixty (60) day response time. Christa Mclellan supported. The motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Steven Watson moved to adjourn meeting #3225. Mark Diaz supported.

Chairperson Pegg adjourned the meeting at 12:50 p.m. The Board's next meeting is scheduled for **Thursday, January 10th, 2019**, at 09:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



Kelly Tapper, Assistant Executive Director